

1912

Fifty Eighth Annual Report

of the

Board of Directors

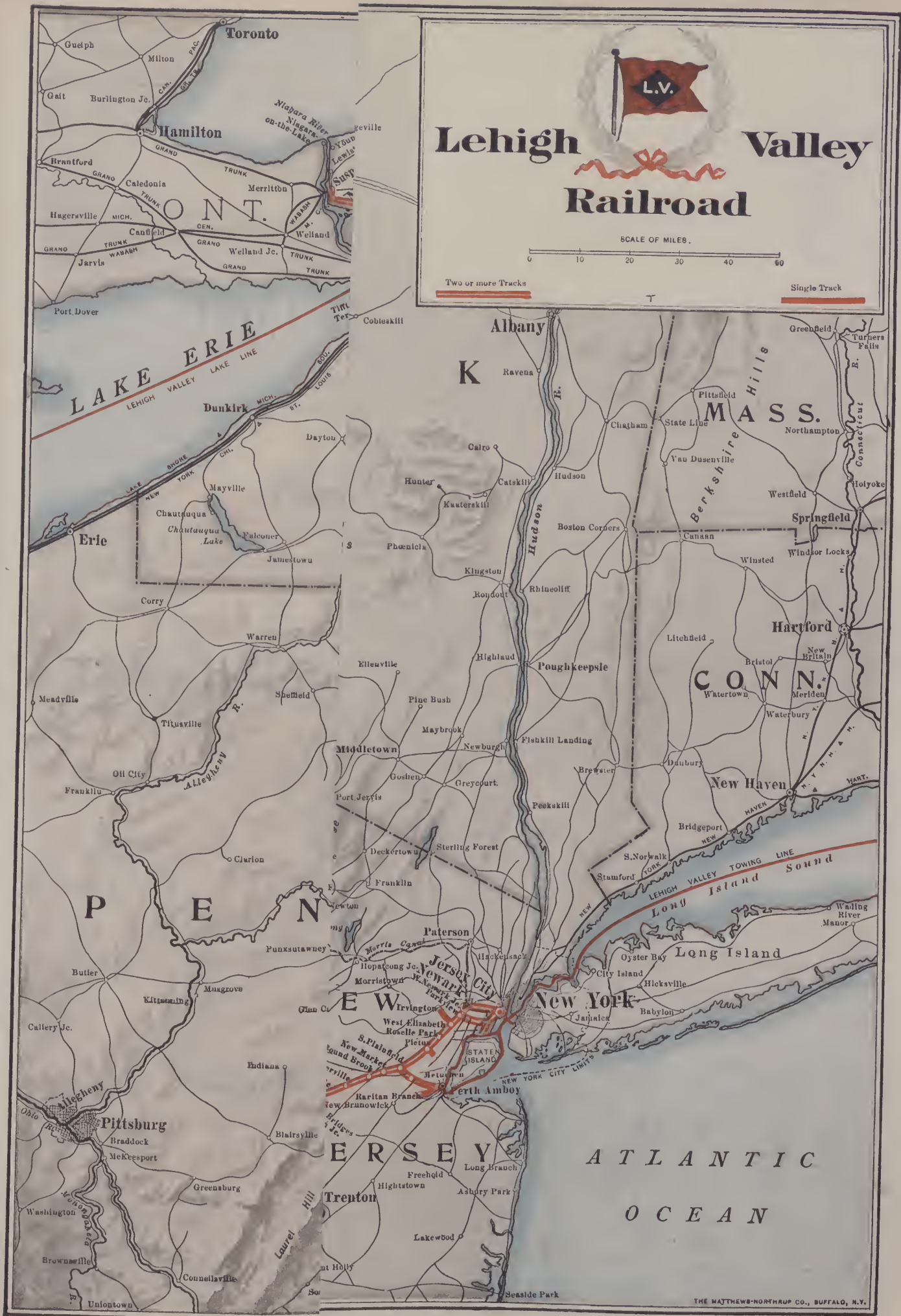
of the

Lehigh Valley Railroad Company

to the

Stockholders

Fiscal Year Ended June 30, 1912



Fifty Eighth Annual Report

of the

Board of Directors

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Lehigh Valley Railroad Company

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Fiscal Year Ended June 30, 1912

LEHIGH VALLEY RAILROAD COMPANY

BOARD OF DIRECTORS

GEORGE F. BAER	WILLIAM H. MOORE
GEORGE F. BAKER	ABRAM NESBITT
WILLIAM R. BUTLER	DANIEL G. REID
HENRY B. COXE	EDWARD B. SMITH
ALFRED C. HARRISON	CHARLES STEELE
EDWARD S. MOORE	EDWARD T. STOTESBURY

OFFICERS

E. B. THOMAS.....	<i>President</i>
J. A. MIDDLETON	<i>Vice President</i>
T. N. JARVIS	<i>Vice President</i>
L. D. SMITH	<i>Vice President</i>
D. G. BAIRD.....	<i>Secretary</i>
J. M. BAXTER	<i>Treasurer</i>
J. I. MORRISON.....	<i>General Auditor</i>

1912

FIFTY EIGHTH ANNUAL REPORT

PHILADELPHIA, AUGUST 19, 1912.

To the Stockholders of the

LEHIGH VALLEY RAILROAD COMPANY.

The Board of Directors herewith submit the annual report of the business and condition of your Company for the fiscal year ended June 30, 1912.

MILEAGE

The first track mileage owned or controlled and operated by the Lehigh Valley Railroad Company, the main line of which is double track, extending from Jersey City, N. J., to Buffalo and Suspension Bridge, N. Y., is as follows:—

	MILES
Lehigh Valley Railroad Company	311.00
Controlled by ownership of entire capital stock	936.79
Controlled by ownership of majority of capital stock and lease	115.37
Operated under lease	27.73
Total mileage operated (owned or controlled)	1,390.89
Trackage rights over railroads owned by other companies	63.05
Total first track mileage	1,453.94

In addition to the above, there are 605.89 miles, or 41.67 per cent., of second track, 73.27 miles of third track, 37.58 miles of fourth track and 1,173.67 miles of yard tracks and sidings, a total of 3,344.35 miles of track in operation at the close of the year. A detailed statement of track mileage is shown on pages 45 to 47. The average number of miles of railway operated for the year was 1,440.72, upon which the mileages statistics in certain tables submitted in this report are based.

The increase of 24.25 miles of first track is due to the construction of additional track during the year and to the acquirement of further trackage rights from other companies.

Lehigh Valley Railroad Company

OPERATING REVENUES AND EXPENSES

The gross revenues and expenses and net revenue from the operation of the entire system for the fiscal year, not including other income, compared with similar figures for the fiscal year 1911, are shown below. The complete income account appears on page 22.

GROSS OPERATING REVENUES

FROM	1912	1911	INCREASE	DECREASE
Coal freight	\$16,301,316 24	\$17,155,534 15		\$854,217 91
Merchandise freight	14,591,239 56	14,687,291 27		96,051 71
Passenger	4,703,733 52	4,568,029 75	\$135,703 77	
Mail	191,703 74	190,760 08	943 66	
Express	471,957 22	453,819 83	18,137 39	
Other transportation	379,919 42	360,717 36	19,202 06	
Miscellaneous	266,065 51	271,250 55		5,185 04
Total operating revenues	\$36,905,935 21	\$37,687,402 99		\$781,467 78

OPERATING EXPENSES

	1912	1911	INCREASE	DECREASE
Maintenance of way and structures	\$3,963,589 12	\$3,620,176 26	\$343,412 86	
Maintenance of equipment	6,313,316 76	6,003,286 95	310,029 81	
Traffic expenses	980,116 82	1,010,675 41		\$30,558 59
Transportation expenses	12,606,961 58	11,979,278 24	627,683 34	
General expenses	856,265 53	793,901 50	62,364 03	
Total operating expenses	\$24,720,249 81	\$23,407,318 36	\$1,312,931 45	
NET OPERATING REVENUE	\$12,185,685 40	\$14,280,084 63		\$2,094,399 23
Ratio of operating expenses to operating revenues	66.98%	62.11%	4.87%	

OPERATING REVENUES

COAL FREIGHT

The revenue derived from the transportation of coal and coke was \$16,301,316.24, a decrease of \$854,217.91, or 4.98 per cent., as compared with the preceding twelve months. This decrease is due entirely to the suspension of anthracite mining during the months of April and May.

The percentage of coal freight revenue to total operating revenues was 44.17 per cent., a decrease of 1.35 per cent.

The coal and coke transported, excluding the Company's supply coal, was 15,166,853 tons, a decrease of 422,897 tons, or 2.71 per cent.

The number of tons moved one mile was 2,313,939,406, a decrease of 55,600,923 ton miles, or 2.35 per cent.

The average haul was 152.57 miles, an increase of .58 mile, or .38 per cent.

This class of tonnage was 54.14 per cent. of the total tonnage hauled during the year, a decrease of .54 per cent.

MERCHANDISE FREIGHT

The transportation of merchandise freight produced a revenue of \$14,591,239.56, a decrease of \$96,051.71, or .65 per cent., as compared with the preceding year.

The percentage of revenue derived from the transportation of merchandise freight was 39.54 per cent. of the total operating revenues, an increase of .57 per cent.

The tonnage moved, excluding Company's material, was 12,846,447 tons, a decrease of 76,115 tons, or .59 per cent.

The number of tons carried one mile was 2,471,137,980, a decrease of 43,527,888 ton miles, or 1.73 per cent.

The average haul was 192.36 miles, a decrease of 2.23 miles, or 1.15 per cent.

GENERAL FREIGHT

The total revenue from both coal and merchandise freight was \$30,892,555.80, a decrease of \$950,269.62, or 2.98 per cent., as compared with the preceding twelve months.

The entire freight traffic amounted to 28,013,300 tons, a decrease of 499,012 tons, or 1.75 per cent.

The number of tons carried one mile was 4,785,077,386, a decrease of 99,128,811 ton miles, or 2.03 per cent.

The average haul was 170.81 miles, a decrease of .49 mile, or .29 per cent.

The average revenue per ton was 110.28 cents, as compared with 111.68 cents last year, a decrease of 1.40 cents, or 1.25 per cent.

Lehigh Valley Railroad Company

Company's freight, not included in the above, amounted to 2,944,379 tons, a decrease of 52,233 tons, or 1.74 per cent.

The total freight train mileage was 8,452,978 miles, a decrease of 522,992 miles, or 5.83 per cent.

The revenue received per freight train mile was \$3.65, an increase of \$0.10, or 2.82 per cent.

The average trainload of revenue freight was 566.08 tons, an increase of 21.94 tons, or 4.03 per cent. Including Company's freight, the average trainload was 587.51 tons, an increase of 23.07 tons, or 4.09 per cent.

PASSENGER

The receipts from passenger traffic amounted to \$4,703,733.52, an increase of \$135,703.77, or 2.97 per cent., over the preceding year.

The total number of passengers carried was 5,349,848, a decrease of 9,906, or .18 per cent.

The number of passengers carried one mile increased 7,034,010, or 2.73 per cent.

The average revenue per passenger was 87.92 cents, an increase of 2.69 cents, or 3.16 per cent.

The average revenue per passenger per mile was 1.775 cents, an increase of .004 cent, or .23 per cent.

The average distance traveled by each passenger was 49.53 miles, an increase of 1.40 miles, or 2.91 per cent.

Passenger train mileage was 4,523,420, an increase of 75,371 miles, or 1.69 per cent., as compared with an increase in this revenue of 2.97 per cent.

The average revenue from passengers per passenger train mile was 103.99 cents, an increase of 1.29 cents, or 1.26 per cent.

MAIL

The compensation received from the Federal Government for the transportation of United States mails was \$191,703.74, an increase of \$943.66.

EXPRESS

The revenue from this class of business amounted to \$471,957.22, an increase of \$18,137.39.

OTHER TRANSPORTATION

The earnings derived from transportation other than shown under the preceding headings were \$379,919.42, an increase of \$19,202.06.

MISCELLANEOUS

Miscellaneous revenue amounted to \$266,065.51, a decrease of \$5,185.04.

OPERATING EXPENSES

MAINTENANCE OF WAY

The sum of \$3,963,589.12 was expended during the year for the maintenance of way and structures, an increase of \$343,412.86, or 9.49 per cent., over the preceding year.

Four steel bridges, one concrete-steel bridge and one wooden bridge were built in connection with additional track construction. Seventeen steel bridges and nine concrete-steel bridges were placed in the track, replacing light steel or wooden bridges. Ten steel bridges were strengthened and one steel bridge extended. Twenty-one bridges were replaced by culverts and two small bridges were abandoned and the openings filled. One wooden highway bridge was replaced by a steel structure and one light steel highway bridge was replaced by a heavier steel bridge.

12,233 tons of 110-pound rail, 15,817 tons of 100-pound rail and 5,805 tons of 90-pound rail, together with necessary frogs, switches, etc., were placed in the track.

919,068 tie plates and 534,228 anti rail creepers were used.

614,737 cross ties, 2,289,166 feet B. M. switch ties, 917,051 feet B. M. bridge ties and lumber amounting to 5,155,206 feet B. M. were used.

306,501 of the cross ties, 1,088,328 feet B. M. of switch ties and 709,824 feet B. M. of bridge ties were treated with creosote.

111,927 cubic yards of crushed stone were used in ballasting track.

71,396 feet of drain tile were placed in the roadbed.

17.54 miles of new telegraph and telephone pole line were erected, 140.59 miles rebuilt and 53.60 miles reset. 930.79 miles of copper and 48.20 miles of iron wire were used in extending and renewing the telephone, telegraph and signal wires on the system.

MAINTENANCE OF EQUIPMENT

Charges amounting to \$6,313,316.76 were made for the maintenance of equipment, an increase of \$310,029.81, or 5.16 per cent., over the previous twelve months. As required in the classification of accounts prescribed by the Interstate Commerce Commission, there is included in this amount a charge of \$1,102,502.92 for depreciation of equipment.

The following new equipment has been added to the property and charged to Capital Account during the year: Ten freight locomotives, twenty-five switching locomotives, forty-six steel passenger coaches, twenty steel smoking cars, two steel dining cars, two steel library cars, ten steel combined passenger and baggage cars, fifteen steel combined baggage and mail cars, twenty-five steel baggage and express cars, three steel postal cars, twenty steel underframe milk cars, three caboose cars, two steam wrecking cranes, four locomotive cranes, twelve steel underframe pneumatic air-dump cars and one unloader.

Lehigh Valley Railroad Company

In addition to the foregoing, orders have been placed for twenty-two additional freight locomotives, three combined passenger and baggage cars, one thousand steel under-frame refrigerator cars and two locomotive cranes.

Twenty-two passenger coaches, three combined passenger and baggage cars and one combined baggage and mail car were converted into workmen's cars. Ten freight equipment cars were transferred to road service.

Nineteen worn-out locomotives, twelve passenger coaches, six combined passenger and baggage cars, four milk cars, 226 freight equipment cars and 127 road service cars were condemned and either sold or destroyed during the year and their value written off the books by appropriate charges through operating expenses.

671 locomotives received heavy and general repairs.

One dining car was rebuilt, 431 passenger equipment cars received heavy repairs, 369 were painted and varnished and nine equipped with electric lights. Steel underframes were applied to 2,438 wooden freight cars, making a total of 7,631 cars so equipped during the last four years. 20,467 freight equipment cars received heavy and general repairs.

The total number of locomotives on hand at the close of the year was 903 with a tractive power of 25,734,655 pounds. The total number of freight equipment cars was 43,750 with a capacity of 1,584,692 tons.

TRAFFIC EXPENSES

This class of expenses amounted to \$980,116.82, a decrease of \$30,558.59 as compared with the previous twelve months.

TRANSPORTATION EXPENSES

The total cost of conducting transportation was \$12,606,961.58, an increase of \$627,683.34, or 5.24 per cent., over the preceding year.

The ratio of transportation expenses to total operating revenues was 34.16 per cent., as compared with 31.79 per cent. last year, an increase of 2.37 per cent.

GENERAL EXPENSES

This item amounted to \$856,265.53, or 2.32 per cent. of the total operating revenues.

TAXES

The taxes accrued on your property, capital and business during the year amounted to \$1,451,311.17, which is an increase of \$305,834.48 over the preceding year. The continuing increase in taxes has become a serious matter, the taxes for the year having reached an amount equivalent to 3.93 per cent. of the Company's revenues.

ADDITIONS AND BETTERMENTS

The policy of making liberal appropriations for additions and betterments to the property has been continued, the expenditures on that account for the year amounting to \$3,869,006.89. A classification of the same, in the form prescribed by the Interstate Commerce Commission, is given on page 42.

The Hays Creek Branch, which extends from Ashmore to White Haven, referred to in the last annual report, was completed and placed in operation on December 26, 1911. The double tracking of the line from Laurel Junction to Silver Brook Junction, made necessary by the construction of the Hays Creek Branch, was also completed during the year. These improvements provide a shorter route with better alinement and easier grades and permit more prompt and efficient handling of cars in a region of great traffic density.

The third and fourth track extension from Cementon to Treichlers, a distance of 4.18 miles, was completed, making a continuous four-track line of 23.79 miles in the congested territory on the New Jersey and Lehigh Division.

141,187 feet, or 26.74 miles, of Company's sidings and 25,608 feet, or 4.85 miles, of industrial sidings were constructed during the year.

The westbound passing siding near Tunkhannock has been lengthened a distance of 1.63 miles and the westbound siding at Towanda 1,388 feet. These siding extensions are made necessary to accommodate the greater number of cars now hauled in freight trains.

For the interchange of business and the accommodation of various industries additional tracks were installed at Perth Amboy, with 183 cars capacity, and at Van Etten, with sixty-seven cars capacity. New tracks with a capacity of 200 cars are now being laid at Florence. The local freight yards at Wilkes-Barre and Greenville were remodelled, driveways extended and paved and additional team tracks installed.

A yard of 340 cars capacity for receiving and classifying coal was constructed at Throop, which has eliminated the congestion in the movement of coal freight consigned to Auburn and points north.

To provide adequate facilities for the trans-shipment of coal from cars to vessels at Perth Amboy and to avoid the rebuilding of a dump trestle and pier, a modern car dumping plant of 1,500,000 tons annual capacity is now being installed. In connection with this work, the yard tracks are being re-arranged to permit of greater efficiency in the handling of cars at that point and the vessel berthing space is being widened as well.

A reinforced concrete grain storage elevator of 446,000 bushels capacity, with facilities for drying, cleaning, clipping and bagging, is in course of construction at National Stores, New York Harbor.

Combination freight and passenger stations, of hollow tile and stucco construction, were built at Meshoppen, Cementon and Fullerton. A frame freight station was erected at Roselle Park. A pier and steel bulkhead shed were built at Pier 5, Wallabout Basin, Brooklyn. Additions were made to the freight stations at Scott Street, Buffalo, and East 124th Street, New York City.

Lehigh Valley Railroad Company

A ten-ton electrically operated transfer crane was installed at West 27th Street Yard, New York City; the freight transfer crane at Wilkes-Barre equipped with an electric motor; a thirty-ton electrically operated transfer crane erected at Grand Street, Jersey City, replacing a twenty-ton hand operated crane, which was transferred to Perth Amboy, and a twenty-ton hand operated crane erected at Ithaca.

Car repair sheds were built over the tracks at the easterly end of the car shop at Packerton, providing additional capacity for the repair of cars.

At Perth Amboy the fuel coal trestle was remodelled, a concrete ash pit constructed and a locomotive crane provided for handling the fuel and ashes. The capacity of the gravity fuel coal trestle at Sayre was increased.

Twenty-six gasoline motor cars were purchased for the use of section and bridge gangs, replacing hand cars and enabling a reduction in the number of section forces.

New steel water tanks of 40,000 gallons capacity each were erected at Glendon, Sayre and Phillipsburg, and a water tank of 50,000 gallons capacity was erected near Jeancsville. At Manchester additional water storage was provided by the erection of two 100,000-gallon steel tanks and the steam pumping plant replaced with an electric pump.

The interlocking plant at South Plainfield, consisting of fifty-six levers, was replaced with an electric plant of thirty-two levers. A mechanical interlocking plant of twelve levers was installed at Eckley Junction, and the Jeddo tunnel signals, which were rebuilt, are now operated from this plant. A three-party interlocking plant was placed at Mortimer where the West Shore Railroad and Erie Railroad cross the tracks of this Company.

Upper-quadrant three-position automatic semaphore signals were installed between Gum Run and Laurel Junction, a distance of 20.6 miles, and at Ashmore Junction. Similar signals were also installed on the four-track extension from Cementon to Treichlers, and the disc signals on first and second track replaced with upper-quadrant signals. This completes the automatic signalling on the four-track system. An electric staff system was installed on the New Boston Branch between Laurel Junction and New Boston Junction. The installation of upper-quadrant automatic signals on the easterly end of the main line, replacing disc signals, has been completed to South Somerville. The use of oil lights on the automatic signals between Parkview and Port Reading Junction, and on the Mahanoy and Hazleton Division has been discontinued and replaced with acetylene gas.

Telephone train dispatching lines were completed between Sayre and Manchester and on the Naples, Seneca Falls and Ithaca Branches and the train dispatching telephone line between Manchester and Buffalo is practically completed. 397 portable telephone sets have been installed in passenger and freight trains.

The telegraph and telephone pole line on the Buffalo Division was rebuilt for a distance of eighty-seven miles, and reset on the Elmira and Cortland, Auburn and Ithaca, and Seneca Falls Branches for a distance of 53.6 miles.

The constantly increasing weight and capacity of rolling stock has made it necessary to increase the standard weight of rails on the main line from 90 pounds to 100 pounds per yard on tangents and 110 pounds per yard on curves and in tunnels.

FINANCIAL

No new financing has been undertaken by the Company during the year. The resources have been ample for all capital expenditures.

As provided in the respective mortgage and deeds of trust \$1,000,000 Collateral Trust Four Per Cent. Bonds, which matured in August and February, \$500,000 Equipment Trust J Certificates, which matured in September and March, and \$400,000 Equipment Trust I Certificates, held in the treasury, which matured in September, a total of \$1,900,000, were retired during the year. In addition, your Company purchased and placed in its treasury \$296,600 par value, preferred stock and \$285,100 par value, consolidated stock of the Morris Canal and Banking Company, on which dividends are guaranteed at the rates of ten and four per cent. per annum, respectively. The retirement or purchase of these obligations will result in a reduction of \$85,164 per annum in the fixed charges of your Company.

In January The Lehigh Valley Coal Company, which has, since its incorporation, been engaged in the mining, shipping and selling of anthracite coal, caused to be organized a new company with the name Lehigh Valley Coal Sales Company, for the purpose of purchasing at the mines and shipping and selling all coal which it mined and purchased. The new company was created with an authorized capital stock of \$10,000,000, of which \$6,060,800, or 121,216 shares, with a par value of \$50 each, were immediately issued and the balance reserved for future needs. The privilege was accorded stockholders of the Lehigh Valley Railroad Company of subscribing to stock of the Sales Company for an amount equivalent to ten per cent. of their holdings. The Sales Company formally commenced business March 1, 1912. Neither the Lehigh Valley Railroad Company nor The Lehigh Valley Coal Company has any ownership in the stock of the Sales Company or any interest, direct or indirect, in the coal transported.

The certificates of indebtedness of The Lehigh Valley Coal Company, amounting to \$10,537,000, issued by that Company to the Lehigh Valley Railroad Company some years ago to represent its indebtedness for advances made to it for capital expenditures, were redeemed on March 1st. The Lehigh Valley Coal Company paid off \$3,037,000 of the same in cash at par and, in exchange for the balance, issued \$7,500,000 Fifty-Year Gold Debenture Obligations, bearing interest at the rate of four per cent. per annum, payable semi-annually on the first days of March and September. These debentures were deposited with the Trustee of the General Consolidated Mortgage, the certificates of indebtedness having been so held. The Lehigh Valley Coal Company further paid all arrearages of interest on the certificates of indebtedness up to March 1, 1912. The amount applying prior to the present fiscal year was credited to Profit and Loss and the balance, \$280,986.67, was included in the Income of the present year. In addition, the Income Account of the Lehigh Valley Railroad Company is being credited with interest on the \$7,500,000 Debentures as the same accrues and is paid by the Coal Company.

Various subsidiary companies owned by the Lehigh Valley Railroad Company, to which cash advances were made during the year for expenditures to cover additions and betterments to their respective properties, have reimbursed your Company by the issuance of Five Per Cent. Debenture Bonds, as follows: The Lehigh Valley Rail Way Company,

Lehigh Valley Railroad Company

\$324,000; Pennsylvania and New York Canal and Railroad Company, \$203,500; Lehigh Valley Transportation Company, \$67,000; Lehigh Valley Railroad Company of New Jersey, \$61,500; National Storage Company, \$60,000; The Schuylkill and Lehigh Valley Railroad Company, \$6,000; Montrose Railroad Company, \$5,500, and Loyalsock Railroad Company, \$4,500. In addition, \$59,000 Five Per Cent. Bonds have been received from the Wyoming Valley Water Supply Company to cover amounts advanced to that Company for capital purposes during the year. All these several securities have either been placed in the treasury or deposited under the General Consolidated Mortgage, as required thereby.

Seven shares of the Company's capital stock, carried as a treasury asset, were sold. This stock came into the possession of the Company in 1874 as a result of the fraudulent raising of certain certificates for one share each, concerning which a suit was brought against the Company. This suit was settled for a nominal sum, which obviated the necessity of any further retention of the stock mentioned.

The Elmira Transfer Railway Company, a corporation organized in 1885 for the purpose of acquiring certain terminal right of way in the City of Elmira, New York, was dissolved, the necessity for maintaining that corporation no longer existing. The entire capital stock with a par value of \$10,000, all of which was owned by your Company, has been cancelled and written off the books.

In the past it has not been customary to deduct from Profit and Loss Account until actually due the dividends declared in June and disbursed in the following month. Commencing with the present fiscal year, however, this practice has been changed and it will be noted that Profit and Loss Account has been charged with the dividends declared in June and due July 13, 1912, this being more in line with proper accounting methods.

To provide fully for such depreciation as may have resulted from mining from the property of Coxe Brothers & Company, Incorporated, the entire capital stock of which is owned by the Lehigh Valley Railroad Company, the book value thereof was reduced by \$1,000,000, which amount was charged to Profit and Loss. A similar reduction was made in the book value of this property in each of the four preceding years.

Materials and supplies on hand at the close of the year amounted to \$2,535,142.83, a decrease of \$323,431.19.

The advances to subsidiary real estate companies were increased by \$935,919.85 during the year as a result of large purchases of land, principally for terminal improvements and extensions.

Working Assets are \$35,134,859.07 in excess of Working Liabilities.

Semi-annual dividends of five per cent. each were declared in December, 1911, and June, 1912, on the common and preferred capital stock of the Company, payable respectively in January and July, 1912. In addition, a special dividend of ten per cent. was declared out of the accumulated surplus of the Company, payable February 26, 1912.

Certified public accountants have examined and verified the cash balance, securities and the accounts of the Company for the fiscal year and have furnished a certificate as to the correctness thereof, a copy of which is submitted on page 17.

GENERAL REMARKS

The revenues for the year were seriously affected by the suspension of mining in the anthracite region where, pending negotiations for a new agreement between the mining companies and their employes, no coal was mined and shipped for a period of about eight weeks. The temporary discontinuance of shipments of this one commodity, the earnings from which approximate 40.97 per cent. of the revenue, and the manifest impossibility of reducing expenses proportionately, more than account for the reduction in the net operating revenue for the year. In addition, the necessity of maintaining the high standard of service required by shippers and the public generally, the continuing increases in rates of wages, the high cost of fuel and the severity of the winter have greatly increased the expenses. The property has, however, been fully maintained; in fact, the charges for maintenance show a moderate increase over the previous year.

Attention was called in the last annual report to the status of the lease of the property of the Morris Canal and Banking Company and to the efforts that were being made to secure the necessary legislation to permit the abandonment of navigation on the canal and the disposition of its property. The Commission appointed by the Legislature of New Jersey in 1911, completed its work and recommended the enactment of a bill, which they presented, for abandonment of the canal and repeal of the charter. Many hearings were held on the subject but the bill, after much discussion, failed to obtain favorable action by the Legislature. Just prior to its adjournment in March of the present year, however, a resolution was adopted by both houses of the Legislature referring the whole matter to a new Commission of twelve persons, four of whom were appointed by the President of the Senate, four by the Speaker of the House of Assembly, and four by the Governor, who are to report at the earliest possible date, with the end in view that a special session of the Legislature may be called, if necessary, to act upon this important subject. It is hoped that future action of the Legislature will be such as to permit the abandonment of navigation and effect a satisfactory disposition of the property. These proceedings coming to the attention of the stockholders of the Morris Canal and Banking Company, many of them desired to dispose of their stock and requested the Lehigh Valley Railroad Company to purchase the same. Your Board, after due consideration, deemed it both just and wise to purchase such of the outstanding stock of the Morris Canal and Banking Company as the stockholders desired to sell. Accordingly a circular was addressed to each stockholder offering to purchase their holdings at the price of \$170 per share for the preferred stock and \$70 per share for the consolidated stock, upon which the Lehigh Valley Railroad Company guaranteed and has been paying dividends at the rates of ten and four per cent. per annum respectively. A considerable number of the stockholders accepted the offer, with the result that your Company is now the owner of a large majority of the outstanding stock of the Canal Company.

To provide land for the construction of a new passenger station in the City of Buffalo, the Company acquired, under an agreement, dated February 5, 1912, between the City

Lehigh Valley Railroad Company

of Buffalo and The Lehigh Valley Rail Way Company, the so-called "Hamburg Canal Strip," extending from Main Street to Alabama Street, for a consideration of \$500,000. A part of this land, not needed for the purpose mentioned, will be sold to another railroad company. The agreement with the City of Buffalo, under which the land was purchased, requires the construction of the passenger station within a specified time and the elimination of certain grade crossings. Plans and specifications for the development of this terminal are being prepared.

For use in defending certain actions pending against your Company in the matter of freight rates, a valuation is being made of the physical property of the Company, an appropriation having been made from Profit and Loss Account to cover the expense of the same, as shown in that statement.

There have been no new developments respecting the Lehigh and New York Railroad, which was leased by your Company in 1895, the year's operation resulting in a loss of \$141,345.34.

Ample expenditures have been made for the maintenance of the floating equipment of the Lehigh Valley Transportation Company, the entire capital stock of which is owned by your Company. One steel tug, six steel barges and two wooden barges were purchased and received during the year. Two tugs and eight barges, unfit for further service, were condemned and sold or otherwise disposed of. The floating equipment used by your Company and its affiliated companies is set forth in detail on page 44.

During the year fifty-eight new industries were located on the system, direct track connections having been made with thirty-one thereof. The work of the Company's Agriculturist has produced satisfactory results in the farming districts served by the Company's lines.

56.16 per cent. of the total operating expenses, including outside operations, or \$15,472,144.58, was paid direct to labor, being distributed among an average of 21,080 employees during the year.

The Company contributed \$54,657.08 to its Employees' Relief Fund, which is an amount equal to the payments made by the employees themselves to that Fund.

Mr. Henry B. Coxe, of Philadelphia, Pennsylvania, was elected a Director to succeed Mr. P. A. B. Widener, who declined re-election.

The Board takes pleasure in expressing its appreciation of the loyal and efficient services rendered by the officers and employees of the Company in the performance of their duties.

E. B. THOMAS,
President.

1912

Lehigh Valley Railroad Company

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HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

30 BROAD STREET

NEW YORK

CHICAGO

HARRIS TRUST BUILDING

ST. LOUIS

THIRD NATIONAL BANK BUILDING

CLEVELAND

WILLIAMSON BUILDING

PITTSBURGH

FARMERS BANK BUILDING

BALTIMORE

EQUITABLE BUILDING

SAN FRANCISCO

CROCKER BUILDING

LONDON, E. C.

30 COLEMAN STREET

CABLE ADDRESS "HASKSELLS"

New York, August 7, 1912.

Mr. E. B. Thomas, President,

Lehigh Valley Railroad Company,

Philadelphia, Pa.

DEAR SIR:

In pursuance of our engagement, we have audited the books and accounts of the Lehigh Valley Railroad Company for the fiscal year ended June 30, 1912, including confirmation of the accounts representing cash, securities, and notes, either by physical examination of such assets or by obtaining certifications of depositaries and trustees as to their custody; and

WE HEREBY CERTIFY that the accompanying Income Account and Profit and Loss Account for the year and Condensed General Balance Sheet at the close of the year are correct.

Yours truly,

(Signed) HASKINS & SELLS,

Certified Public Accountants.

APPENDIX

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**COMPARATIVE INCOME ACCOUNT FOR THE YEARS ENDED JUNE 30,
1912 AND 1911**

	1912	1911	INCREASE	DECREASE
OPERATING REVENUES:—				
Coal freight revenue	\$16,301,316 24	\$17,155,534 15	. . . . .	\$854,217 91
Merchandise freight revenue	14,591,239 56	14,687,291 27	. . . . .	96,051 71
Passenger revenue	4,703,733 52	4,568,029 75	\$135,703 77	
Mail revenue	191,703 74	190,760 08	943 66	
Express revenue	471,957 22	453,819 83	18,137 39	
Other transportation revenue	379,919 42	360,717 36	19,202 06	
Miscellaneous revenue	266,065 51	271,250 55	. . . . .	5,185 04
Total operating revenues	\$36,905,935 21	\$37,687,402 99	. . . . .	\$781,467 78
OPERATING EXPENSES:—				
Maintenance of way and structures	\$3,963,589 12	\$3,620,176 26	\$343,412 86	
Maintenance of equipment	6,313,316 76	6,003,286 95	310,029 81	
Traffic expenses	980,116 82	1,010,675 41	. . . . .	\$30,558 59
Transportation expenses	12,606,961 58	11,979,278 24	627,683 34	
General expenses	856,265 53	793,901 50	62,364 03	
Total operating expenses	\$24,720,249 81	\$23,407,318 36	\$1,312,931 45	
Ratio of operating expenses to operating revenues	66.98 %	62.11 %	4.87 %	
Net operating revenue	\$12,185,685 40	\$14,280,084 63	. . . . .	\$2,094,399 23
OUTSIDE OPERATIONS, NET.	*291,239 44	*320,170 33	\$28,930 89	
TOTAL NET REVENUE	\$11,894,445 96	\$13,959,914 30	. . . . .	\$2,065,468 34
TAXES ACCRUED	1,451,311 17	1,145,476 69	\$305,834 48	
OPERATING INCOME	\$10,443,134 79	\$12,814,437 61	. . . . .	\$2,371,302 82
OTHER INCOME:—				
Hire of equipment—Balance	\$72,257 51	\$90,324 66	. . . . .	\$18,067 15
Joint facilities rents—Credits	316,599 20	244,756 92	\$71,842 28	
Dividends on stocks	654,495 25	584,026 62	70,468 63	
Interest on bonds	431,458 67	46,121 00	385,337 67	
Miscellaneous income	641,650 75	710,509 42	. . . . .	68,858 67
Total other income	\$2,116,461 38	\$1,675,738 62	\$440,722 76	
TOTAL INCOME	\$12,559,596 17	\$14,490,176 23	. . . . .	\$1,930,580 06
DEDUCTIONS FROM INCOME:—				
Interest accrued on funded debt	\$3,167,635 15	\$3,306,268 20	. . . . .	\$138,633 05
Rentals of leased lines and guaranties	2,215,470 00	2,286,103 97	. . . . .	70,633 97
Joint facilities rents—Debits	222,832 74	228,803 19	. . . . .	5,970 45
Miscellaneous deductions	140,638 19	168,993 88	. . . . .	28,355 69
Additions and betterments	340,944 45	980,549 42	. . . . .	639,604 97
Total deductions from income	\$6,087,520 53	\$6,970,718 66	. . . . .	\$883,198 13
NET INCOME	\$6,472,075 64	\$7,519,457 57	. . . . .	\$1,047,381 93

* Deficit

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 1912

	DR.	CR.
Balance, July 1, 1911		\$30,330,647 47
Net income for year ended June 30, 1912		6,472,075 64
Expenditures for Additions and Betterments deducted from Income		340,944 45
Interest paid on certificates of indebtedness of The Lehigh Valley Coal Co., applicable to prior years		2,528,880 00
Miscellaneous adjustments		40,305 90
Appropriation by the Board for valuation of the Company's property . .	\$86,086 67	
Property abandoned	30,063 33	
Reduction of book value of capital stock of Coxe Brothers & Co., Inc. . .	1,000,000 00	
Dividends :		
Five per cent. on preferred stock, paid July 15, 1911	\$5,315 00	
Five per cent. on common stock, paid July 15, 1911	3,025,085 00	
Five per cent. on preferred stock, paid Jan. 13, 1912	5,315 00	
Five per cent. on common stock, paid Jan. 13, 1912	3,025,085 00	
Special ten per cent. on preferred stock, paid Feb. 26, 1912	10,630 00	
Special ten per cent. on common stock, paid Feb. 26, 1912	6,050,170 00	
Five per cent. on preferred stock, due July 13, 1912	5,315 00	
Five per cent. on common stock, due July 13, 1912	3,025,085 00	
	15,152,000 00	
Balance, June 30, 1912	23,444,703 46	
	\$39,712,853 46	\$39,712,853 46
Balance brought forward, July 1, 1912		\$23,444,703 46

Lehigh Valley Railroad Company

Dr.

CONDENSED GENERAL

ASSETS

ROAD AND EQUIPMENT:—		
Investment to June 30, 1907	\$54,365,714 13	
Investment since June 30, 1907	15,243,864 70	
	\$69,609,578 83	
Less reserve for accrued depreciation	5,004,657 91	
		\$64,604,920 92
SECURITIES:—		
Securities of proprietary, affiliated, and controlled companies —pledged	\$30,504,209 18	
Securities of proprietary, affiliated, and controlled companies —unpledged	4,048,621 36	
		34,552,830 54
OTHER INVESTMENTS:—		
Advances to proprietary, affiliated, and controlled companies for construction, equipment and betterments	\$108,365 01	
Real estate	479,785 99	
Advances to subsidiary real estate companies	3,056,861 22	
Securities—pledged	28,055,855 93	
Securities—unpledged	8,203,647 42	
		39,904,515 57
WORKING ASSETS:—		
Cash	\$15,815,693 27	
Securities issued or assumed—held in treasury	16,808,000 00	
Marketable securities	320,000 00	
Traffic and car-service balances due from other companies	57,903 77	
Net balance due from agents and conductors	1,124,453 73	
Miscellaneous accounts receivable	2,559,658 40	
Materials and supplies	2,535,142 83	
Other working assets	163,230 75	
		39,384,082 75
ACCRUED INCOME NOT DUE:—		
Unmatured interest, dividends and rents receivable		205,999 60
DEFERRED DEBIT ITEMS:—		
Advances	\$814,367 88	
Rents and insurance paid in advance	155,460 45	
Other deferred debit items	745,112 42	
		1,714,940 75
TOTAL ASSETS		
		\$180,367,290 13

BALANCE SHEET, JUNE 30, 1912

Cr.

LIABILITIES

CAPITAL STOCK:—

1,210,034 shares common stock, par \$50	\$60,501,700 00	. . . . .
2,126 shares preferred stock, par \$50	106,300 00	. . . . .
		\$60,608,000 00

FUNDED DEBT:—

Mortgage bonds	\$67,639,000 00	. . . . .
Collateral trust bonds	14,000,000 00	. . . . .
Equipment trust obligations	4,750,000 00	. . . . .
Mortgages on real estate	116,669 18	. . . . .
		86,505,669 18

WORKING LIABILITIES:—

Traffic and car-service balances due to other companies . . .	\$475,300 09	. . . . .
Audited vouchers and wages unpaid	2,637,758 52	. . . . .
Miscellaneous accounts payable	193,771 82	. . . . .
Matured interest, dividends and rents unpaid	401,314 00	. . . . .
Other working liabilities	541,079 25	. . . . .
		4,249,223 68

ACCRUED LIABILITIES NOT DUE:—

Unmatured interest and rents payable	\$922,041 79	. . . . .
Dividends declared June 19, due July 13, 1912	3,030,400 00	. . . . .
Taxes accrued.	654,554 77	. . . . .
		4,606,996 56

DEFERRED CREDIT ITEMS:—

Other deferred credit items		952,697 25
---------------------------------------	--	------------

PROFIT AND LOSS		23,444,703 46
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TOTAL LIABILITIES		\$180,367,290 13
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Lehigh Valley Railroad Company

STATEMENT OF FUNDED DEBT, JUNE 30, 1912

DESCRIPTION	DATE OF MATURITY	INTEREST		Accrued During the Year	PRINCIPAL
		Rate	Payable		
Lehigh Valley Railroad Company:—					
First Mortgage Bonds	June 1, 1948 . .	4% gold	June and Dec.	\$200,000 00	\$5,000,000 00
Consolidated Mortgage Bonds:—					
Coupon \$1,319,000	Dec. 1, 1923 . .	6% . . .	June and Dec.		
Registered 4,319,000	“	6% . . .	“		
Annuity 10,062,000	Perpetual	6% . . .	“	942,000 00	15,700,000 00
Coupon \$1,669,000	Dec. 1, 1923 . .	4½% . .	“		
Registered 3,093,000	“	4½% . .	“		
Annuity 2,538,000	Perpetual	4½% . .	“	328,500 00	7,300,000 00
General Consolidated Mortgage Bonds . .	May 1, 2003 . .	4% gold	May and Nov.	1,065,560 00	26,639,000 00
Collateral Trust Bonds	{ \$500,000 semi- annually, to February 1, 1926 }	4% gold	Feb. and Aug.	492,140 00	12,192,000 00
Equipment Trust, Series J, Certificates . .	{ \$250,000 semi- annually, to Sept. 1, 1917 }	4½% gold	Mar. and Sept.	133,125 00	2,750,000 00
Mortgages on Real Estate	Various . . . . .	. . . . .	. . . . .	6,310 15	116,669 18
Total . . . . .	. . . . .	. . . . .	. . . . .	\$3,167,635 15	\$69,697,669 18
Amount of Funded Debt in the Treasury of the Company, viz:—					
General Consolidated Mortgage Bonds					13,000,000 00
Collateral Trust Bonds					1,808,000 00
Equipment Trust, Series I, 4% Certificates maturing \$400,000 annually to September 1, 1916					2,000,000 00
Total					\$86,505,669 18

RENTALS OF LEASED LINES AND GUARANTIES, JUNE 30, 1912

DESCRIPTION	DATE OF MATURITY	INTEREST			PRINCIPAL
		Rate	Payable	Accrued During the Year	
Lehigh Valley Terminal Ry. Co.:— First mortgage bonds	October 1, 1941 .	5% gold .	April and Oct.	\$500,000 00	\$10,000,000
Easton and Amboy R. R. Co.:— First mortgage bonds	May 1, 1920 .	5% . . .	May and Nov.	300,000 00	6,000,000
Morris Canal and Banking Co.:— Preferred stock . . . . .	. . . . .	10% . . .	Feb. and Aug.	11,796 67	35,100
Consolidated stock . . . . .	. . . . .	4% . . .	"	6,378 33	33,700
Easton and Northern R. R. Co.:— First mortgage bonds	Nov. 1, 1935 .	4½% gold	May and Nov.	2,295 00	51,000
Penna. and New York Canal and R. R. Co.:— Consolidated mortgage bonds	April 1, 1939 .	5% . . .	April and Oct.	200,000 00	4,000,000
Consolidated mortgage bonds	" . . .	4½% . . .	"	67,500 00	1,500,000
Consolidated mortgage bonds	" . . .	4% . . .	"	120,000 00	3,000,000
Lehigh and New York R. R. Co.:— First mortgage bonds	Sept. 1, 1945 .	4% gold .	March and Sept.	80,000 00	2,000,000
The Lehigh Valley Rail Way Co.:— First mortgage bonds	July 1, 1940 .	4½% gold	Jan. and July	675,000 00	15,000,000
The Elmira, Cortland and Northern R. R. Co.:— First preferred mortgage bonds	April 1, 1914 .	6% gold .	April and Oct.	45,000 00	750,000
First mortgage bonds	" . . .	5% gold .	"	62,500 00	1,250,000
Middlesex Valley R. R. Co.:— First mortgage bonds	Nov. 1, 1942 .	5% gold .	May and Nov.	10,000 00	200,000
The Lehigh and Lake Erie R. R. Co.:— First mortgage bonds	March 1, 1957 .	4½% gold	March and Sept.	135,000 00	3,000,000
Total . . . . .	. . . . .	. . . . .	. . . . .	\$2,215,470 00	\$46,819,800

STATEMENT OF SECURITIES OWNED—NOT PLEDGED

IN TREASURY	PAR VALUE
BONDS	
Lehigh Valley Railroad Co., General Consolidated Mortgage.. . . .	\$13,000,000 00
Lehigh Valley Railroad Co., Collateral Trust Mortgage.	1,808,000 00
Consolidated Real Estate Co., First Mortgage	2,600,000 00
Easton and Northern Railroad Co., First Mortgage	249,000 00
Greenville and Hudson Railway Co., First Mortgage	350,000 00
Irvington Railroad Co., First Mortgage	125,000 00
Lehigh and Hudson River Railway Co., Debentures	34,000 00
Middlesex Valley Railroad Co., First Mortgage	400,000 00
Montrose Railroad Co., First Mortgage.	100,000 00
Montrose Railroad Co., Debentures	9,000 00
Morris Canal and Banking Co., First Mortgage	500,000 00
Rochester Southern Railroad Co., First Mortgage	425,000 00
Schuylkill and Lehigh Valley Railroad Co., First Mortgage	2,000,000 00
Seneca County Railway, First Mortgage	500,000 00
Wyoming Valley Water Supply Co., First Mortgage	1,041,000 00
Total.	\$23,141,000 00
EQUIPMENT TRUST CERTIFICATES	
Lehigh Valley Railroad Company, Series I.	\$2,000,000 00
STOCKS	
Bay Shore Connecting Railroad Co.	\$17,388 53
Buffalo Creek Railroad Co.	125,000 00
Consolidated Real Estate Co.	5,000 00
Fair Land Realty Co.	2,500 00
Highland Coal Co.	120,000 00
Jersey City Belt Line Railway Co.	56,800 00
Lehigh and Hudson River Railway Co.	163,100 00
Montrose Railroad Co.	100,000 00
Morris Canal and Banking Co., consolidated	991,300 00
Morris Canal and Banking Co., preferred	1,139,900 00
Morris Canal and Banking Co., preferred dividend scrip.	47,237 50
Newark Bay Railway Co.	13,000 00
Packer Coal Co.	3,800 00
Penn Haven Junction and Glen Onoko Railroad Co.	6,000 00
Philadelphia Bourse, common	1,500 00
Philadelphia Bourse, preferred	575 00
Philadelphia Grain Elevator Co.	205,000 00
Philadelphia Harbor Transfer	20,000 00
Pioneer Real Estate Co.	2,500 00
Temple Iron Co.	570,900 00
United Real Estate Co.	1,000 00
Weatherly Water Co.	8,000 00
Wyoming Valley Water Supply Co.	100,000 00
Total	\$3,700,501 03

Lehigh Valley Railroad Company

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STATEMENT OF SECURITIES OWNED—PLEDGED

UNDER GENERAL CONSOLIDATED MORTGAGE		PAR VALUE
BONDS		
Easton and Northern Railroad Co., Debentures		\$5,000 00
Lehigh Valley Coal Co., Debentures		7,500,000 00
Lehigh Valley Railroad Co. of New Jersey, Debentures		1,401,000 00
Lehigh Valley Rail Way Co., Debentures		1,446,000 00
Lehigh Valley Transportation Co., Debentures.		489,000 00
Loyalsock Railroad Co., Debentures		32,000 00
National Storage Co., Debentures		60,000 00
Pennsylvania and New York Canal and Railroad Co., Debentures.		662,000 00
Schuylkill and Lehigh Valley Railroad Co., Debentures		6,000 00
Total.		\$11,601,000 00
STOCKS		
Easton and Northern Railroad Co.		\$565,000 00
Lehigh and New York Railroad Co., Preferred		2,249,734 00
Lehigh Valley Coal Co.		1,965,000 00
Lehigh Valley Railroad Co. of New Jersey		12,506,000 00
Lehigh Valley Rail Way Co.		11,745,000 00
Lehigh Valley Transportation Co.		1,510,000 00
Loyalsock Railroad Co.		825,000 00
National Storage Co.		2,400,000 00
New York and Middle Coal Field Railroad and Coal Co.		1,216,325 00
Pennsylvania and New York Canal and Railroad Co.		1,511,550 00
Schuylkill and Lehigh Valley Railroad Co.		2,000,000 00
Total.		\$38,493,609 00
UNDER COLLATERAL TRUST AGREEMENT		
STOCKS		
Coxe Brothers & Company, Incorporated.		\$2,910,150 00
Delaware, Susquehanna and Schuylkill Rail Road Co.		1,500,000 00
Total		\$4,410,150 00
UNDER TRUST AGREEMENT		
STOCK		
Mutual Terminal Co. of Buffalo		\$15,000 00
SUMMARY		
Not pledged		\$28,841,501 03
Pledged		54,519,759 00
Total		\$83,361,260 03

Lehigh Valley Railroad Company

MONTHLY OPERATING REVENUES AND EXPENSES FOR THE YEAR ENDED JUNE

	OPERATING REVENUES					
	COAL FREIGHT	MERCHANDISE FREIGHT	PASSENGER	MAIL AND EXPRESS	MISCELLANEOUS	TOTAL
July, 1911	\$1,269,285 53	\$1,203,161 66	\$512,862 30	\$58,180 83	\$48,165 98	\$3,091,656 30
August, "	1,431,001 56	1,306,976 79	574,019 59	56,974 50	54,512 81	3,423,485 25
September, "	1,513,777 04	1,296,246 37	492,186 38	55,765 44	55,218 52	3,413,193 75
October, "	1,614,497 85	1,360,457 19	372,679 60	58,551 60	59,119 59	3,465,305 83
November, "	1,579,498 22	1,271,480 41	358,226 32	56,355 41	54,671 64	3,320,232 00
December, "	1,508,361 78	1,111,489 85	385,735 08	55,967 54	54,569 50	3,116,123 75
January, 1912	1,462,244 28	1,022,674 04	278,830 68	56,208 93	48,347 42	2,868,305 35
February, "	1,588,649 41	1,035,788 99	257,954 63	42,945 94	43,615 32	2,968,954 29
March, "	1,760,816 78	1,197,662 71	299,173 54	50,131 88	56,761 00	3,364,545 91
April, "	302,972 33	1,159,791 25	357,746 21	54,367 82	49,351 70	1,924,229 31
May, "	456,128 02	1,363,216 65	373,208 13	54,481 38	53,676 32	2,300,710 50
June, "	1,814,083 44	1,262,293 65	441,111 06	63,729 69	67,975 13	3,649,192 97
Total, year ended June 30, 1912 .	\$16,301,316 24	\$14,591,239 56	\$4,703,733 52	\$663,660 96	\$645,984 93	\$36,905,935 21
Total, year ended June 30, 1911 .	17,155,534 15	14,687,291 27	4,568,029 75	644,579 91	631,967 91	37,687,402 99
Increase			\$135,703 77	\$19,081 05	\$14,017 02	
Decrease	\$854,217 91	\$96,051 71				\$781,467 78
Increase, per cent.			2.97	2.96	2.22	
Decrease, "	4.98	.65				2.07

Lehigh Valley Railroad Company

30, 1912, COMPARED WITH TOTALS FOR THE YEAR ENDED JUNE 30, 1911

OPERATING EXPENSES					NET OPERATING REVENUE
MAINTENANCE OF WAY AND STRUCTURES	MAINTENANCE OF EQUIPMENT	TRAFFIC AND TRANSPORTATION EXPENSES	GENERAL EXPENSES	TOTAL	
\$356,334 59	\$495,463 54	\$1,064,725 47	\$67,529 61	\$1,984,053 21	\$1,107,603 09
373,956 85	579,459 15	1,187,361 89	65,718 38	2,206,496 27	1,216,988 98
385,390 01	601,065 10	1,207,773 13	64,698 30	2,258,926 54	1,154,267 21
402,033 58	585,443 24	1,218,532 32	66,148 31	2,272,157 45	1,193,148 38
356,955 98	518,227 28	1,177,849 73	67,021 43	2,120,054 42	1,200,177 58
376,322 70	559,928 61	1,155,000 22	78,539 04	2,169,790 57	946,333 18
317,302 15	561,479 95	1,167,513 10	68,870 14	2,115,165 34	753,140 01
354,713 16	560,606 99	1,141,660 34	65,257 80	2,122,238 29	846,716 00
300,802 99	608,381 21	1,260,619 27	71,762 26	2,241,565 73	1,122,980 18
287,947 44	396,286 97	972,857 26	65,630 94	1,722,722 61	201,506 70
231,501 74	397,774 86	930,599 94	70,046 18	1,629,922 72	670,787 78
220,327 93	449,199 86	1,102,585 73	105,043 14	1,877,156 66	1,772,036 31
\$3,963,589 12	\$6,313,316 76	\$13,587,078 40	\$856,265 53	\$24,720,249 81	\$12,185,685 40
3,620,176 26	6,003,286 95	12,989,953 65	793,901 50	23,407,318 36	14,280,084 63
\$343,412 86	\$310,029 81	\$597,124 75	\$62,364 03	\$1,312,931 45	.....
.....	.....	.....	.....	.....	\$2,094,399 23
9.49	5.16	4.60	7.86	5.61	.....
.....	.....	.....	.....	.....	14.67

CLASSIFICATION OF OPERATING EXPENSES

ACCOUNT	1912	1911	INCREASE	DECREASE
MAINTENANCE OF WAY AND STRUCTURES:—				
Superintendence	\$202,383 32	\$189,779 44	\$12,603 88	. . . . .
Ballast	93,592 00	106,407 01	. . . . .	\$12,815 01
Ties	562,941 69	440,827 73	122,113 96	. . . . .
Rails	397,468 01	263,389 69	134,078 32	. . . . .
Other track material	252,315 30	230,140 83	22,174 47	. . . . .
Roadway and track	1,205,462 75	1,176,260 55	29,202 20	. . . . .
Removal of snow, sand and ice	59,200 64	51,757 17	7,443 47	. . . . .
Tunnels	9,820 53	5,380 52	4,440 01	. . . . .
Bridges, trestles and culverts	249,363 07	233,640 35	15,722 72	. . . . .
Over and under grade crossings	9,739 22	4,727 50	5,011 72	. . . . .
Grade crossings, fences, cattle guards and signs	53,118 69	55,539 64	. . . . .	2,420 95
Snow and sand fences and snow sheds	1,882 61	2,755 62	. . . . .	873 01
Signals and interlocking plants	278,064 14	242,779 57	35,284 57	. . . . .
Telegraph and telephone lines	68,126 45	52,075 56	16,050 89	. . . . .
Buildings, fixtures and grounds	395,189 90	417,680 80	. . . . .	22,490 90
Docks and wharves	24,855 61	52,740 75	. . . . .	27,885 14
Roadway tools and supplies	53,213 67	43,305 93	9,907 74	. . . . .
Injuries to persons	8,538 03	6,687 52	1,850 51	. . . . .
Stationery and printing	7,055 40	6,578 93	476 47	. . . . .
Other expenses	2,522 01	502 53	2,019 48	. . . . .
Maintaining joint tracks, yards and other facilities—Dr.	69,085 01	73,200 52	. . . . .	4,115 51
Maintaining joint tracks, yards and other facilities—Cr.	*40,348 93	*35,981 90	. . . . .	4,367 03
Total maintenance of way and structures	\$3,963,589 12	\$3,620,176 26	\$343,412 86	. . . . .
MAINTENANCE OF EQUIPMENT:—				
Superintendence	\$133,491 60	\$134,780 38	. . . . .	\$1,288 78
Steam locomotives—Repairs	2,051,722 27	1,919,842 03	\$131,880 24	. . . . .
Steam locomotives—Renewals	59,151 69	42,053 74	17,097 95	. . . . .
Steam locomotives—Depreciation	263,795 13	254,105 61	9,689 52	. . . . .
Amounts carried forward	\$2,508,160 69	\$2,350,781 76	\$157,378 93	. . . . .

* Credit.

Lehigh Valley Railroad Company

FOR THE YEARS ENDED JUNE 30, 1912 AND 1911

ACCOUNT	1912	1911	INCREASE	DECREASE
MAINTENANCE OF EQUIPMENT— <i>Continued</i> :—				
Amounts brought forward	\$2,508,160 69	\$2,350,781 76	\$157,378 93	. . . . .
Passenger train cars—Repairs.	343,022 72	257,068 70	85,954 02	. . . . .
Passenger train cars—Renewals.	63,875 34	12,469 71	51,405 63	. . . . .
Passenger train cars—Depreciation	49,441 87	35,955 83	13,486 04	. . . . .
Freight train cars—Repairs.	2,261,676 86	2,320,190 43	. . . . .	\$58,513 57
Freight train cars—Renewals.	76,154 14	64,428 24	11,725 90	. . . . .
Freight train cars—Depreciation	772,860 28	769,303 93	3,556 35	. . . . .
Floating equipment—Repairs.	321 38	686 46	. . . . .	365 08
Floating equipment—Depreciation	237 48	237 48	. . . . .	. . . . .
Work equipment—Repairs	34,919 94	32,250 97	2,668 97	. . . . .
Work equipment—Renewals	17,127 05	1,255 61	15,871 44	. . . . .
Work equipment—Depreciation	16,168 16	13,167 96	3,000 20	. . . . .
Shop machinery and tools	124,992 37	102,168 56	22,823 81	. . . . .
Injuries to persons	12,904 26	15,288 34	. . . . .	2,384 08
Stationery and printing	11,178 31	10,889 50	288 81	. . . . .
Other expenses	3,775 91	646 47	3,129 44	. . . . .
Maintaining joint equipment at terminals—Dr.	16,500 00	16,497 00	3 00	. . . . .
Total maintenance of equipment	\$6,313,316 76	\$6,003,286 95	\$310,029 81	. . . . .
TRAFFIC EXPENSES:—				
Superintendence.	\$175,818 56	\$172,011 99	\$3,806 57	. . . . .
Outside agencies.	427,924 55	397,698 63	30,225 92	. . . . .
Advertising.	140,287 27	139,637 33	649 94	. . . . .
Traffic associations	16,395 89	14,320 21	2,075 68	. . . . .
Fast freight lines	146,908 58	200,512 25	. . . . .	\$53,603 67
Industrial and immigration bureaus	12,961 40	16,085 19	. . . . .	3,123 79
Stationery and printing	59,820 57	70,401 60	. . . . .	10,581 03
Other expenses . . . . .	. . . . .	8 21	. . . . .	8 21
Total traffic expenses	\$980,116 82	\$1,010,675 41	. . . . .	\$30,558 59
TRANSPORTATION EXPENSES:—				
Superintendence.	\$322,488 72	\$320,450 46	\$2,038 26	. . . . .
Despatching trains	109,000 08	110,684 94	. . . . .	\$1,684 86
Station employes	1,283,520 18	1,284,708 68	. . . . .	1,188 50
Amounts carried forward	\$1,715,008 98	\$1,715,844 08	. . . . .	\$835 10

Lehigh Valley Railroad Company

CLASSIFICATION OF OPERATING EXPENSES

ACCOUNT	1912	1911	INCREASE	DECREASE
TRANSPORTATION EXPENSES— <i>Continued</i> :—				
Amounts brought forward . . .	\$1,715,008 98	\$1,715,844 08		\$835 10
Weighing and car service associations	17,538 09	22,109 99		4,571 90
Coal and ore docks	162,077 04	190,399 48		28,322 44
Station supplies and expenses . . .	126,918 73	124,480 76	\$2,437 97	
Yard masters and their clerks . . .	247,360 31	265,145 00		17,784 69
Yard conductors and brakemen . . .	827,941 12	798,885 27	29,055 85	
Yard switch and signal tenders . . .	62,971 04	59,162 66	3,808 38	
Yard supplies and expenses	17,663 75	18,789 30		1,125 55
Yard enginemen	480,089 50	457,428 35	22,661 15	
Enginehouse expenses—Yard	105,229 37	103,350 73	1,878 64	
Fuel for yard locomotives	398,567 64	384,350 69	14,216 95	
Water for yard locomotives	21,038 27	20,646 40	391 87	
Lubricants for yard locomotives . . .	5,588 71	6,305 62		716 91
Other supplies for yard locomotives	6,820 06	6,715 30	104 76	
Operating joint yards and terminals—Dr.	43,809 30	43,881 03		71 73
Operating joint yards and terminals—Cr.	*33,793 15	*32,056 38		1,736 77
Road enginemen	1,625,774 79	1,539,288 66	86,486 13	
Enginehouse expenses—Road	381,357 67	383,413 88		2,056 21
Fuel for road locomotives	2,831,544 70	2,776,321 73	55,222 97	
Water for road locomotives	112,096 58	106,649 31	5,447 27	
Lubricants for road locomotives . . .	44,722 38	42,043 70	2,678 68	
Other supplies for road locomotives .	34,481 61	39,030 76		4,549 15
Road trainmen	1,691,933 15	1,559,464 23	132,468 92	
Train supplies and expenses	355,316 26	374,375 60		19,059 34
Interlockers, block and other signals—Operation	191,175 12	192,535 68		1,360 56
Crossing flagmen and gatemen . . .	64,691 45	62,963 28	1,728 17	
Draw bridge operation	5,055 05	5,018 88	36 17	
Amounts carried forward	\$11,542,977 52	\$11,266,543 99	\$276,433 53	

* Credit.

Lehigh Valley Railroad Company

FOR THE YEARS ENDED JUNE 30, 1912 AND 1911—Continued

ACCOUNT	1912	1911	INCREASE	DECREASE
TRANSPORTATION EXPENSES— <i>Continued</i> :—				
Amounts brought forward . . .	\$11,542,977 52	\$11,266,543 99	\$276,433 53	. . . . .
Clearing wrecks	55,809 85	57,974 66	. . . . .	\$2,164 81
Telegraph and telephone—Operation	98,443 84	87,315 35	11,128 49	. . . . .
Operating floating equipment	2,612 91	3,422 61	. . . . .	809 70
Stationery and printing	82,586 80	82,136 59	450 21	. . . . .
Other expenses	4,721 55	2,204 13	2,517 42	. . . . .
Loss and damage—Freight	193,682 43	249,662 46	. . . . .	55,980 03
Loss and damage—Baggage	1,230 70	163 48	1,067 22	. . . . .
Damage to property	50,876 84	28,661 64	22,215 20	. . . . .
Damage to stock on right of way	2,002 38	860 51	1,141 87	. . . . .
Injuries to persons	548,214 47	175,792 33	372,422 14	. . . . .
Operating joint tracks—Dr.	37,894 82	37,322 82	572 00	. . . . .
Operating joint tracks—Cr.	*14,092 53	*12,782 33	. . . . .	1,310 20
Total transportation expenses	\$12,606,961 58	\$11,979,278 24	\$627,683 34	. . . . .
GENERAL EXPENSES:—				
Salaries and expenses of general officers	\$138,075 73	\$128,104 35	\$9,971 38	. . . . .
Salaries and expenses of clerks and attendants	337,272 96	319,996 27	17,276 69	. . . . .
General office supplies and expenses	28,672 38	28,393 13	279 25	. . . . .
Law expenses	173,232 18	146,177 33	27,054 85	. . . . .
Insurance	56,236 22	55,653 29	582 93	. . . . .
Relief department expenses	54,657 08	46,211 60	8,445 48	. . . . .
Pensions	10,431 66	10,232 68	198 98	. . . . .
Stationery and printing	35,970 15	39,984 14	. . . . .	\$4,013 99
Other expenses	21,717 17	19,148 71	2,568 46	. . . . .
Total general expenses	\$856,265 53	\$793,901 50	\$62,364 03	. . . . .
TOTAL OPERATING EXPENSES	\$24,720,249 81	\$23,407,318 36	\$1,312,931 45	. . . . .

* Credit.

Lehigh Valley Railroad Company

STATEMENT OF OPERATING REVENUES AND EXPENSES FOR TEN YEARS, 1903 TO 1912 INCLUSIVE

OPERATING REVENUES

YEARS ENDED JUNE 30	COAL FREIGHT	MERCHANDISE FREIGHT	PASSENGER	MAIL AND EXPRESS	MISCELLANEOUS	TOTAL OPERATING REVENUES	NET OPERATING REVENUE
1903	\$10,104,764 40	\$11,609,706 36	\$3,191,638 63	\$483,059 54	\$1,265,334 33	\$26,654,503 26	\$7,674,323 60
1904	12,835,076 24	11,994,700 77	3,155,715 13	513,717 03	1,382,529 04	29,881,738 21	11,011,436 97
1905	13,530,337 42	12,432,582 74	3,509,825 33	544,768 49	1,258,328 74	31,275,842 72	12,346,141 39
1906	13,248,565 42	13,934,127 10	3,971,392 05	585,452 24	1,050,319 82	32,789,856 63	12,637,645 91
1907	15,270,213 84	14,864,262 21	4,326,118 87	591,745 99	469,105 81	35,521,446 72	13,554,116 09
1908	16,175,279 94	14,011,301 78	4,159,890 47	592,630 94	571,051 09	35,510,154 22	13,198,117 73
1909	14,831,670 78	13,291,830 90	3,905,062 74	616,124 73	493,143 06	33,137,832 21	12,562,095 91
1910	15,821,797 62	14,757,799 34	4,330,172 45	656,297 45	601,331 31	36,167,398 17	14,483,250 94
1911	17,155,534 15	14,687,291 27	4,568,029 75	644,579 91	631,967 91	37,687,402 99	14,280,084 63
1912	16,301,316 24	14,591,239 56	4,703,733 52	663,660 96	645,984 93	36,905,935 21	12,185,685 40

The ratio of each class of revenue to total operating revenues is as follows:—

	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Coal freight	37.91	42.95	43.26	40.40	42.99	45.55	44.76	43.75	45.52	44.17
Merchandise freight	43.56	40.14	39.75	42.50	41.84	39.46	40.11	40.80	38.97	39.54
Passenger	11.97	10.56	11.22	12.11	12.18	11.71	11.78	11.97	12.12	12.74
Mail and express	1.81	1.72	1.74	1.79	1.67	1.67	1.86	1.82	1.71	1.80
Miscellaneous	4.75	4.63	4.03	3.20	1.32	1.61	1.49	1.66	1.68	1.75

OPERATING EXPENSES

YEARS ENDED JUNE 30	MAINTENANCE OF WAY AND STRUCTURES	MAINTENANCE OF EQUIPMENT	TRAFFIC AND TRANSPORTATION EXPENSES	GENERAL EXPENSES	TOTAL OPERATING EXPENSES	RATIO OF TOTAL EX- PENSES TO REVENUES
1903	\$4,099,168 88	\$4,694,395 07	\$9,567,083 09	\$619,532 62	\$18,980,179 66	Per Cent. 71.21
1904	3,059,257 82	4,745,341 80	10,469,806 29	595,895 33	18,870,301 24	63.15
1905	3,269,382 74	4,894,269 44	10,179,037 79	587,011 36	18,929,701 33	60.52
1906	3,153,245 22	5,485,794 06	10,891,953 73	621,217 71	20,152,210 72	61.46
1907	3,344,181 89	6,186,873 82	11,920,347 57	515,927 35	21,967,330 63	61.84
1908	3,398,642 07	6,153,874 30	12,121,580 08	637,940 04	22,312,036 49	62.83
1909	3,273,339 47	5,832,430 15	10,760,202 59	709,764 09	20,575,736 30	62.09
1910	3,462,903 41	5,995,810 09	11,512,285 21	713,148 52	21,684,147 23	59.95
1911	3,620,176 26	6,003,286 95	12,989,953 65	793,901 50	23,407,318 36	62.11
1912	3,963,589 12	6,313,316 76	13,587,078 40	856,265 53	24,720,249 81	66.98

The ratio of each class of operating expenses to total operating revenues is as follows:—

	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Maintenance of way and structures	15.38	10.24	10.45	9.62	9.41	9.57	9.88	9.57	9.61	10.74
Maintenance of equipment	17.61	15.88	15.65	16.73	17.42	17.33	17.60	16.58	15.93	17.11
Traffic and transportation expenses	35.89	35.04	32.55	33.22	33.56	34.13	32.47	31.83	34.47	36.81
General expenses	2.33	1.99	1.87	1.89	1.45	1.80	2.14	1.97	2.10	2.32

**ENGINE, TRAIN, AND CAR STATISTICS FOR THE YEARS ENDED
JUNE 30, 1912 AND 1911**

	1912	1911	PERCENTAGE OF INCREASE OR DECREASE
TRAIN AND ENGINE MILEAGE			
Miles run by passenger trains (including express)	4,818,771	4,732,361	Inc. 1.83
Miles run by freight trains	8,452,978	8,975,970	Dec. 5.83
Total revenue train miles	13,271,749	13,708,331	Dec. 3.18
Miles run by work trains	669,123	612,947	Inc. 9.16
Miles run by special trains	49,001	57,368	Dec. 14.58
Total train mileage	13,989,873	14,378,646	Dec. 2.70
Miles run by yard switching engines	4,849,862	5,371,014	Dec. 9.70
Miles run by engines in helping service	1,088,844	1,008,521	Inc. 7.96
Miles run by engines in light service	1,680,698	1,491,604	Inc. 12.68
Total engine mileage	21,609,277	22,249,785	Dec. 2.88
CAR STATISTICS			
Mileage of loaded freight cars	209,545,158	215,254,703	Dec. 2.65
Mileage of empty freight cars	94,748,976	100,826,679	Dec. 6.03
Mileage of caboose cars	8,201,095	8,671,877	Dec. 5.43
Total mileage of freight train cars	312,495,229	324,753,259	Dec. 3.77
Mileage of passenger cars, including Pullman cars	15,700,085	15,435,298	Inc. 1.72
Mileage of baggage, mail, express, and dining cars	10,044,705	9,818,349	Inc. 2.31
Total mileage of passenger train cars	25,744,790	25,253,647	Inc. 1.94
Mileage of work cars	3,977,501	3,640,067	Inc. 9.27
Mileage of special train cars	71,959	72,378	Dec. .58
Total mileage of non-revenue cars	4,049,460	3,712,445	Inc. 9.08
Total mileage of all cars	342,289,479	353,719,351	Dec. 3.23
Average number of loaded freight cars in train	24.79	23.98	Inc. 3.38
Average number of empty freight cars in train	12.18	12.20	Dec. .16
Average number of cars in each freight train	36.97	36.18	Inc. 2.18
*Percentage of loaded cars in each train	67.06	66.28	Inc. 1.18
Average miles run per freight car per day (including foreign)	19.02	19.54	Dec. 2.66
Average daily mileage of foreign freight cars on lines of Le-			
high Valley System	29.12	28.77	Inc. 1.22
Average number of passenger cars in train	3.26	3.26	. . . . .
Average number of baggage, mail, express, and dining cars			
in train	2.08	2.08	. . . . .
Average number of cars in each passenger train	5.34	5.34	. . . . .
Average miles run per passenger car per day	104.10	109.37	Dec. 4.82

*Caboose included in empty mileage.

Lehigh Valley Railroad Company

STATISTICS OF OPERATING REVENUES AND EXPENSES

REVENUES, EXPENSES, AND NET REVENUE	1912	1911	INCREASE		DECREASE	
			Amount	Per cent.	Amount	Per cent.
Average miles of road operated	1,440.72	1,432.29	8.43	.59		
Total revenue train miles	13,271,749	13,708,331				
Freight and passenger revenue	\$35,596,289 32	\$36,410,855 17			436,582	3.18
Freight and passenger revenue per mile of road	24,707 29	25,421 43			\$814,565 85	2.24
Operating revenues	36,905,935 21	37,687,402 99			714 14	2.81
Operating revenues per mile of road	25,616 31	26,312 69			781,467 78	2.07
Operating revenues per revenue train mile .	2.781	2.749			696 38	2.65
Operating expenses	24,720,249 81	23,407,318 36	\$0.032	1.16		
Operating expenses per mile of road	17,158 26	16,342 58	1,312,931 45	5.61		
Operating expenses per revenue train mile .	1.863	1.707	815 68	4.99		
Net operating revenue	12,185,685 40	14,280,084 63	.156	9.14		
Net operating revenue per mile of road . .	8,458 05	9,970 11			2,094,399 23	14.67
Net operating revenue per revenue train mile	.918	1.042			1,512 06	15.17
					.124	11.90
PASSENGER						
Passenger revenue	\$4,703,733 52	\$4,568,029 75	\$135,703 77	2.97		
Passenger train revenue	5,473,354 35	5,308,970 59	164,383 76	3.10		
Number of passengers carried	5,349,848	5,359,754			9,906	.18
Number of passengers carried one mile . . .	264,996,053	257,962,043	7,034,010	2.73		
Average distance each passenger carried . .	49.53 miles	48.13 miles	1.40 miles	2.91		
Average number of passengers one mile per mile of road	183,933	180,105	3,828	2.13		
Average revenue per passenger	87.92 cents	85.23 cents	2.69 cents	3.16		
Average revenue per passenger per mile . .	1.775 cents	1.771 cents	.004 cent	.23		
Passenger train mileage	4,523,420	4,448,049	75,371	1.69		
Passenger train mileage (including express) .	4,818,771	4,732,361	86,410	1.83		
Passenger revenue per mile of road	\$3,264 85	\$3,189 32	\$75 53	2.37		
Passenger revenue per train mile	103.99 cents	102.70 cents	1.29 cents	1.26		
Passenger train revenue per mile of road . .	\$3,799 04	\$3,706 63	\$92 41	2.49		
Passenger train revenue per train mile . . .	113.58 cents	112.18 cents	1.40 cents	1.25		
Average number of passengers in each train .	58.58	58.00	.58	1.00		
Passenger car mileage	15,700,085	15,435,298	264,787	1.72		
Baggage, mail, express, and dining car mileage	10,044,705	9,818,349	226,356	2.31		
Total mileage of passenger train cars	25,744,790	25,253,647	491,143	1.94		
Average number of passengers in each passen- ger car	16.88	16.71	.17	1.02		

FOR THE YEARS ENDED JUNE 30, 1912 AND 1911

	1912	1911	INCREASE		DECREASE	
			Amount	Per cent.	Amount	Per cent.
PASSENGER—(Continued)						
Average number of passenger cars in train . .	3.26	3.26	. . . . .	. . .	. . . . .	. . .
Average number of baggage, mail, express, and dining cars in train	2.08	2.08	. . . . .	. . .	. . . . .	. . .
Average number of cars in each passenger train	5.34	5.34	. . . . .	. . .	. . . . .	. . .
FREIGHT						
Coal freight revenue	\$16,301,316 24	\$17,155,534 15	. . . . .	. . .	\$854,217 91	4.98
Merchandise freight revenue	14,591,239 56	14,687,291 27	. . . . .	. . .	96,051 71	.65
Total freight revenue	\$30,892,555 80	\$31,842,825 42	. . . . .	. . .	\$950,269 62	2.98
EXCLUDING COMPANY'S SUPPLIES						
Number tons coal and coke carried	15,166,853	15,589,750	. . . . .	. . .	422,897	2.71
Number tons miscellaneous freight carried . .	12,846,447	12,922,562	. . . . .	. . .	76,115	.59
Total number tons carried	28,013,300	28,512,312	. . . . .	. . .	499,012	1.75
Tons one mile, coal and coke	2,313,939,406	2,369,540,329	. . . . .	. . .	55,600,923	2.35
Tons one mile, merchandise freight	2,471,137,980	2,514,665,868	. . . . .	. . .	43,527,888	1.73
Tons one mile, all revenue freight	4,785,077,386	4,884,206,197	. . . . .	. . .	99,128,811	2.03
Average distance carried	170.81 miles	171.30 miles	. . . . .	. . .	.49 miles	.29
Average number of tons carried one mile per mile of road	3,321,310	3,410,068	. . . . .	. . .	88,758	2.60
Average revenue per ton	110.28 cents	111.68 cents	. . . . .	. . .	1.40 cents	1.25
Average revenue per ton per mile . . . . .	.646 cent	.652 cent	. . . . .	. . .	.006 cent	.92
Freight train mileage	8,452,978	8,975,970	. . . . .	. . .	522,992	5.83
Freight revenue per mile of road	\$21,442 44	\$22,232 11	. . . . .	. . .	\$789 67	3.55
Freight revenue per train mile	\$3.65	\$3.55	\$0.10	2.82	. . . . .	. . .
Average number of tons in each train	566.08	544.14	21.94	4.03	. . . . .	. . .
Average number of tons in each loaded car .	22.84	22.69	.15	.66	. . . . .	. . .
INCLUDING COMPANY'S SUPPLIES						
Number of tons carried	30,957,679	31,508,924	. . . . .	. . .	551,245	1.75
Number of tons carried one mile	4,966,170,891	5,066,413,345	. . . . .	. . .	100,242,454	1.98
Average distance carried	160.42 miles	160.79 miles	. . . . .	. . .	.37 mile	.23
Average number of tons in each train	587.51	564.44	23.07	4.09	. . . . .	. . .
Average number of tons in each loaded car . .	23.70	23.54	.16	.68	. . . . .	. . .

PERFORMANCE OF LOCOMOTIVES

	1912	1911	INCREASE	DECREASE
LOCOMOTIVE MILEAGE				
Passenger	4,523,420	4,448,049	75,371	
Freight and coal	8,452,978	8,975,970		522,992
Express	295,351	284,312	11,039	
Special	49,001	57,368		8,367
Helping, freight and coal	919,127	851,020	68,107	
Helping, passenger	169,717	157,501	12,216	
Light	1,680,698	1,491,604	189,094	
Switching	4,849,862	5,371,014		521,152
Total (excluding work)	20,940,154	21,636,838		696,684
Work	669,123	612,947	56,176	
Total	21,609,277	22,249,785		640,508
Average passenger	54,155	51,822	2,333	
Average freight and coal	32,123	33,228		1,105
Average switching and other	29,672	31,830		2,158
Average all services	34,910	35,829		919
Percentage of passenger helping	3.17	3.01	.16	
Percentage of freight and coal helping	8.57	7.71	.86	
Greatest mileage made by an engine in passenger service	105,278	96,546	8,732	
Greatest mileage made by an engine in freight service	52,089	58,101		6,012
CAR MILEAGE				
Passenger, express and special	25,816,749	25,326,025	490,724	
Freight and coal, loaded	209,545,158	215,254,703		5,709,545
Freight and coal, empty	94,748,976	100,826,679		6,077,703
Work, loaded and empty	3,977,501	3,640,067	337,434	
Caboose	8,201,095	8,671,877		470,782
Total	342,289,479	353,719,351		11,429,872
Average cars per draft, passenger	5.3	5.3		
Average cars per draft, freight (loaded basis)	30.9	30.1	.8	

*Two empty freight cars equaling one loaded; caboose mileage included in empty mileage.

FOR THE YEARS ENDED JUNE 30, 1912 AND 1911

	1912	1911	INCREASE	DECREASE
FUEL COAL USED PER MILE				
	POUNDS	POUNDS	POUNDS	POUNDS
Passenger locomotive	120.2	125.7	. . . . .	5.5
Freight and coal locomotive	250.4	245.5	4.9	. . . . .
Switching and other locomotive	100.8	92.4	8.4	. . . . .
All services	179.9	176.1	3.8	. . . . .
Passenger car	25.0	26.0	. . . . .	1.0
Freight and coal car	10.3	10.0	.3	. . . . .
OIL AND WASTE				
	MILES	MILES	MILES	MILES
Lubricating oil, locomotive miles, per pint	20.82	22.79	. . . . .	1.97
Cylinder oil, locomotive miles, per pint	64.86	68.01	. . . . .	3.15
Waste, locomotive miles, per pound	73.30	78.28	. . . . .	4.98
COST PER LOCOMOTIVE MILE				
	CENTS	CENTS	CENTS	CENTS
Fuel	15.46	14.65	.81	. . . . .
Oil and waste . . . . .	.24	.22	.02	. . . . .
Other supplies . . . . .	.20	.21	. . . . .	.01
Water supply . . . . .	.64	.59	.05	. . . . .
Enginemen and firemen	10.08	9.25	.83	. . . . .
Enginehouse expenses	2.33	2.26	.07	. . . . .
Repairs (excluding renewals)	9.49	8.63	.86	. . . . .
Total	38.44	35.81	2.63	. . . . .
Total, including renewals	38.71	36.00	2.71	. . . . .
COST PER CAR MILE				
	CENTS	CENTS	CENTS	CENTS
Fuel	1.13	1.07	.06	. . . . .
Oil and waste . . . . .	.02	.02	. . . . .	. . . . .
Other supplies . . . . .	.01	.02	. . . . .	.01
Water supply . . . . .	.05	.04	.01	. . . . .
Enginemen and firemen . . . . .	.73	.68	.05	. . . . .
Enginehouse expenses . . . . .	.17	.16	.01	. . . . .
Repairs (excluding renewals) . . . . .	.71	.65	.06	. . . . .
Total	2.82	2.64	.18	. . . . .
Total, including renewals	2.84	2.65	.19	. . . . .

Lehigh Valley Railroad Company

CLASSIFICATION OF ADDITIONS AND BETTERMENTS FOR YEAR ENDED JUNE 30, 1912

Engineering	\$18,258 90
Right of Way and Station Grounds	16,127 26
Grading	399,907 74
Bridges, Trestles, and Culverts	211,755 83
Ties	119,444 37
Rails	384,889 34
Frogs and Switches	44,634 59
Track Fastenings and Other Material	268,225 94
Ballast	44,671 32
Track Laying and Surfacing	190,066 98
Roadway Tools	449 37
Fencing Right of Way	2,563 02
Crossings and Signs	37,746 74
Interlocking and Other Signal Apparatus	86,585 18
Telegraph and Telephone Lines	61,999 33
Station Buildings and Fixtures	63,254 30
Shops, Enginehouses, and Turntables	24,987 35
Shop Machinery and Tools	7,609 43
Water Stations	44,130 97
Fuel Stations	24,828 05
Grain Elevators	58,526 87
Dock and Wharf Property	9,613 30
Steam Locomotives	433,443 23
Passenger Train Cars	851,472 90
Freight Train Cars	408,641 40
Work Equipment	55,173 18
Total	\$3,869,006 89

CLASSIFICATION OF TONNAGE FOR THE YEARS ENDED JUNE 30, 1912 AND 1911

COMMODITY	1912	1911	INCREASE	DECREASE
PRODUCTS OF AGRICULTURE:—				
Grain	1,025,963	938,468	87,495	
Flour	651,749	640,990	10,759	
Other mill products	323,110	321,114	1,996	
Hay	167,739	236,051		68,312
Tobacco (unmanufactured)	5,451	6,660		1,209
Cotton (unmanufactured)	38,322	34,339	3,983	
Fruits and vegetables	205,613	216,888		11,275
Other agricultural products	92,306	93,329		1,023
PRODUCTS OF ANIMALS:—				
Live stock	161,628	184,094		22,466
Dressed meats	184,955	232,398		47,443
Other packing-house products	102,896	102,398	498	
Poultry, game and fish	13,133	13,163		30
Wool	16,548	13,663	2,885	
Hides and leather	54,192	40,861	13,331	
Milk and cream	111,663	104,519	7,144	
Other products of animals	87,349	70,241	17,108	
PRODUCTS OF MINES:—				
Ores	546,300	667,631		121,331
Stone, sand and other like articles	1,648,218	1,621,281	26,937	
Anthracite coal (net tons)	11,627,086	12,597,800		970,714
Bituminous coal and coke	3,539,767	2,991,950	547,817	
PRODUCTS OF FOREST:—				
Lumber	604,603	593,550	11,053	
Bark	26,638	20,871	5,767	
Other products of the forest	257,795	237,902	19,893	
MANUFACTURES:—				
Petroleum and other oils	419,539	363,970	55,569	
Sugar and glucose	161,651	148,380	13,271	
Iron—pig and bloom	442,491	459,515		17,024
Iron and steel rails	336,944	311,807	25,137	
Castings and machinery	185,301	211,864		26,563
Bar and sheet metal	271,683	263,088	8,595	
Cement, brick and lime	1,599,327	1,829,934		230,607
Agricultural implements	54,039	34,671	19,368	
Wagons, carriages, tools, etc.	23,919	17,105	6,814	
Wines, liquors and beers	66,474	62,436	4,038	
Household goods and furniture	33,995	39,238		5,243
Copper and lead—pig	336,367	302,908	33,459	
Salt	185,706	185,096	610	
MISCELLANEOUS	2,402,840	2,302,139	100,701	
Total revenue tonnage	28,013,300	28,512,312		499,012

INVENTORY OF EQUIPMENT, JUNE 30, 1912

LOCOMOTIVES	903	ROAD SERVICE EQUIPMENT:—	
Traotive power (pounds)	25,734,655	Air-brake instruction.	1
		Air-dump.	12
PASSENGER CAR EQUIPMENT:—		Box	4
Passenger.	300	Business	3
Dining	11	Derriek.	37
Café	2	Flat	49
Library buffet	5	Gondola	73
Combined passenger and baggage	62	Grading	109
Combined baggage and mail	40	Hospital	1
Baggage and express	96	Locomotive cranes	24
Business	3	Pile driver	3
Postal	6	Pole	9
Milk	116	Scale test	2
Fruit.	11	Snow flangers	18
		Snow plows.	8
Total	652	Spreader	4
		Steam shovels	4
FREIGHT CAR EQUIPMENT:—		Supply	1
Box	20,453	Tool	48
Coal	17,006	Tunnel	5
Gondola	4,037	Unloader	1
Flat	195	Workmen's	192
Produce	933	Total	608
Refrigerator.	334		
Stock	89	*FLOATING EQUIPMENT:—	
Automobile	299	Lake steamers.	6
Gun and armor	5	Tugs	20
Set of gun and armor trucks	1	Steam lighters.	4
Cabooses	398	Fuel lighter.	1
		Barges	233
Total	43,750	Car floats.	25
Tons capacity	1,584,692	Cattle boats	4
		Hoisting boat	1
		Work boats.	4
		Wrecking boat	1
		Total	299

* Does not include Morris Canal Company's equipment.

Lehigh Valley Railroad Company

MILEAGE OF TRACK OPERATED

	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
LEHIGH VALLEY RAILROAD COMPANY:						
Main Line—Phillipsburg, N. J., to Northampton St., Wilkes-Barre, Pa.	99.23	88.12	44.79	29.76	159.51	421.41
Main Line Branches	50.98	18.12	. . . .	. . . .	24.35	93.45
Mahanoy and Hazleton Division:						
Main Line—Penn Haven Junction, Pa., to Mount Carmel, Pa. (via Hazleton). . . .	52.34	46.07	. . . .	. . . .	66.03	164.44
Branches.	108.45	40.98	. . . .	. . . .	67.70	217.13
Total	311.00	193.29	44.79	29.76	317.59	896.43
CONTROLLED BY OWNERSHIP OF ENTIRE CAPITAL STOCK.						
LEHIGH VALLEY RAILROAD COMPANY OF NEW JERSEY:						
Main Line—Jersey City, N. J., to Phillipsburg, N. J.	74.74	74.74	25.05	5.79	112.65	292.97
Branches	46.85	18.20	. . . .	. . . .	134.94	199.99
PENNSYLVANIA AND NEW YORK CANAL AND RAILROAD COMPANY:						
Main Line—Northampton St., Wilkes-Barre, Pa., to Pennsylvania State Line	96.56	96.56	3.43	2.03	165.91	364.49
Branches	40.52	1.57	. . . .	. . . .	39.09	81.18
THE LEHIGH VALLEY RAILWAY COMPANY:						
Main Line—Pennsylvania State Line to Buffalo, N. Y.	175.16	175.16	. . . .	. . . .	187.68	538.00
Branches	333.60	22.34	. . . .	. . . .	106.30	462.24
THE DELAWARE, SUSQUEHANNA AND SCHUYLKILL RAIL ROAD COMPANY:						
Main Line—Eckley, Pa., to Sheppton, Pa. . . .	21.83	. . . .	. . . .	. . . .	13.58	35.41
Branches	14.52	. . . .	. . . .	. . . .	8.00	22.52
EASTON AND NORTHERN RAILROAD COMPANY:						
Main Line—Easton, Pa., to Belfast, Pa. . . .	11.08	. . . .	. . . .	. . . .	3.34	14.42
Branches	1.70	. . . .	. . . .	. . . .	1.50	3.20
THE SCHUYLKILL AND LEHIGH VALLEY RAILROAD COMPANY:						
Main Line—Lizard Creek Junction, Pa., to Blackwood, Pa.	40.14	. . . .	. . . .	. . . .	7.78	47.92
Branches	1.70	. . . .	. . . .	. . . .	. . . .	1.70
LOYALSOCK RAILROAD COMPANY:						
Main Line—Luzerne, Pa., to Bernice, Pa. . . .	44.85	. . . .	. . . .	. . . .	7.70	52.55
Branches	5.44	. . . .	. . . .	. . . .	1.59	7.03
MONTROSE RAILROAD COMPANY:						
Main Line—Tunkhannock, Pa., to Montrose, Pa.	27.36	. . . .	. . . .	. . . .	3.63	30.99
NEWARK BAY RAILWAY COMPANY:						
In the City of Newark, N. J. . . . .	.13	. . . .	. . . .	. . . .	.44	.57
JERSEY CITY BELT LINE RAILWAY COMPANY:						
In the City of Jersey City, N. J. . . . .	.61	.34	. . . .	. . . .	. . . .	.95
Total	936.79	388.91	28.48	7.82	794.13	2,156.13

Lehigh Valley Railroad Company

MILEAGE OF TRACK OPERATED—Continued

CONTROLLED BY OWNERSHIP OF MAJORITY OF CAPITAL STOCK AND LEASE	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
LEHIGH AND NEW YORK RAILROAD COMPANY: Pennsylvania State Line to North Fair Haven, N. Y.	115.37	.....	.....	.....	36.92	152.29
OPERATED UNDER LEASE	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
STATE LINE AND SULLIVAN RAILROAD COMPANY: Monroeton, Pa., to Bernice, Pa.	24.06	.....	.....	.....	3.56	27.62
HAYTS CORNERS, OVID AND WILLARD RAILROAD COMPANY: Hayts Corners, N. Y., to Willard, N. Y.	2.98	.....	.....	.....	.20	3.18
RARITAN TERMINAL AND TRANSPORTATION COM- PANY: At Perth Amboy, N. J. . . . .	.69	.....	.....	.....	.01	.70
NATIONAL STORAGE COMPANY: At National Stores, Jersey City, N. J. . . . .	.....	.....	.....	.....	8.61	8.61
Total	27.73	.....	.....	.....	12.38	40.11
TRACKAGE RIGHTS	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
PENNSYLVANIA RAILROAD COMPANY: West Newark Junction, N. J., to Jersey City, N. J.	9.40	9.40	.....	.....	.....	18.80
Schuylkill Haven Junction, Pa., to Pottsville, Pa.	4.20	.....	.....	.....	.....	4.20
New Boston Junction, Pa., to Pottsville, Pa. . .	10.90	.....	.....	.....	.....	10.90
Long Run, Pa., to Gum Run Junction, Pa. . . .	1.84	.....	.....	.....	.....	1.84
PEOPLES RAILWAY COMPANY: Minersville, Pa., to Pottsville, Pa.	3.47	.....	.....	.....	.....	3.47
CENTRAL RAILROAD COMPANY OF NEW JERSEY: At Easton, Pa. . . . .	.08	.....	.....	.....	.....	.08
WESTERN NEW YORK AND PENNSYLVANIA RAIL- WAY COMPANY: At Buffalo, N. Y. . . . .	.34	.....	.....	.....	.....	.34
SUSQUEHANNA AND NEW YORK RAILROAD COM- PANY: Towanda Junction, Pa., to Monroeton, Pa. . . .	4.00	.....	.....	.....	.....	4.00
NEW YORK CENTRAL AND HUDSON RIVER RAIL- ROAD COMPANY: Tonawanda Junction, N. Y., to Suspension Bridge, N. Y.	14.96	14.29	.....	.....	.....	29.25
At Cayuga, N. Y.	2.20	.....	.....	.....	.....	2.20
On Wonalcet Branch, near Tonawanda, N. Y. . .	8.25	.....	.....	.....	.....	8.25
North Tonawanda, N. Y., to Wonalcet Branch, N. Y.	1.43	.....	.....	.....	.....	1.43
Suspension Bridge Yard . . . . .	.....	.....	.....	.....	12.65	12.65
NEW YORK, ONTARIO AND WESTERN RAILROAD COMPANY: At Sylvan Junction, N. Y. . . . .	.10	.....	.....	.....	.....	.10
LEHIGH AND WILKES-BARRE COAL COMPANY: Franklin Junction, Pa., to Franklin Branch . . .	1.00	.....	.....	.....	.....	1.00
ERIE AND WYOMING VALLEY RAILROAD COMPANY: Duryea Junction, Pa., to Old Forge, Pa. . . . .	.88	.....	.....	.....	.....	.88
Total	63.05	23.69	.....	.....	12.65	99.39

MILEAGE OF TRACK OPERATED—Concluded

RECAPITULATION	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Lehigh Valley Railroad Company	311.00	193.29	44.79	29.76	317.59	896.43
Controlled by ownership of entire capital stock.	936.79	388.91	28.48	7.82	794.13	2,156.13
Controlled by ownership of majority of capital stock and lease	115.37	. . . . .	. . . . .	. . . . .	36.92	152.29
Operated under lease.	27.73	. . . . .	. . . . .	. . . . .	12.38	40.11
Trackage rights	63.05	23.69	. . . . .	. . . . .	12.65	99.39
Total	1,453.94	605.89	73.27	37.58	1,173.67	3,344.35

MILEAGE BY STATES	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Pennsylvania	667.13	291.42	48.22	31.79	573.27	1,611.83
New York	654.39	211.79	. . . . .	. . . . .	345.85	1,212.03
New Jersey	132.42	102.68	25.05	5.79	254.55	520.49
Total	1,453.94	605.89	73.27	37.58	1,173.67	3,344.35

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